

GENERAL INFORMATION PAGE

**FILL IN THE INFORMATION HERE TO POPULATE THE GENERAL FIELDS
OF THE WORKSHEET**

CASE NAME **Furnas County Farms**

CASE NUMBER **04-81489**

PETITION DATE **5/3/2004**

End of Month 1 **5/28/2004**

CASE NUMBER: 04-81489

COMPARATIVE BALANCE SHEETS

ASSETS	PETITION DATE 5/3/2004	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004	MONTH ENDING 10/29/2004
CURRENT ASSETS							
Cash	1,342,365	2,583,410	0	0	0	0	0
Accounts Receivable, Net (Sched. A)	1,341,858	1,043,616	0	0	0	0	0
Inventory	38,270,157	38,305,793	0	0	0	0	0
Prepaid Expenses	1,546,716	1,796,099	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total Current Assets	42,501,096	43,728,918	0	0	0	0	0
PROPERTY, PLANT & EQUIPMENT (Sched. B)							
Less Accumulated Depreciation	73,278,377	73,243,308	0	0	0	0	0
	19,107,135	19,339,884	0	0	0	0	0
Net Property	54,171,242	53,903,424	0	0	0	0	0
OTHER ASSETS - Investments, N/R	527,875	523,811	0	0	0	0	0
Total Other Assets	527,875	523,811	0	0	0	0	0
TOTAL ASSETS	97,200,213	98,156,153	0	0	0	0	0

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOLLOWING OPERATING REPORTS, CONSISTING OF ____ PAGES ARE TRUE AND CORRECT.

Date submitted: June 22, 2004

Signed



Steve Weiss, Consultant to the Company

(Printed name of signatory)

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

MONTHLY OPERATING REPORTS
COMPARATIVE BALANCE SHEETS

	PETITION DATE 5/3/2004	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004	MONTH ENDING 10/29/2004
LIABILITIES & OWNERS' EQUITY							
LIABILITIES							
Post Petition Liabilities (Sched. C)	0	2,278,391	0	0	0	0	0
Pre Petition Liabilities							
Trade Payables:							
Farmers and Truckers	589,332	0					
April 19 thru May 2	1,416,920	1,416,920					
Pre-April 19	2,053,891	2,053,891					
Accrued Interest	21,086,166	21,086,166					
Secured Debt - Senior Banks	116,863,416	116,863,416	0	0	0	0	0
Secured Debt - Purchase Money Debt	1,087,168	1,087,168	0	0	0	0	0
Real Estate/Pers. Property Taxes	1,267,165	1,267,165	0	0	0	0	0
Unsecured Debt	52,091,814	52,091,814	0	0	0	0	0
Other	386,309	248,049					
Total Pre Petition Liabilities	196,842,181	196,114,589	0	0	0	0	0
Total Liabilities	196,842,181	198,392,979	0	0	0	0	0
OWNERS' EQUITY							
Owners' Equity	(45,156,539)	(45,156,539)	0	0	0	0	0
Impaired Assets Write-Down	(47,159,439)	(47,159,439)	0	0	0	0	0
Prior Period Adj. - Interest Rate Swap	(3,392,887)	(3,392,887)	0	0	0	0	0
Current Year Earnings (Loss):							
Through Filing Date	(3,933,103)	(3,933,103)	0	0	0	0	0
Post Filing Date	0	(594,858)	0	0	0	0	0
Total Owners' Equity	(99,641,968)	(100,236,826)	0	0	0	0	0
TOTAL LIABILITIES & OWNERS' EQUITY	97,200,213	98,156,153	0	0	0	0	0

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

FORM OPR-2

STATEMENT OF INCOME (LOSS)

	4 MONTHS ENDING 5/3/2004	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004	YEAR TO DATE 10/29/2004
REVENUE							
Feeder Pig Sales	996,771	293,399					1,290,170
Market Sales	24,230,472	6,455,063					30,685,535
Market Premiums	861,922	168,715					1,030,637
Cull Breed Stock Sales	1,226,515	362,314					1,588,829
Outside Sales	446,228	130,449					576,677
Other Income	150,489	(26,756)					123,733
TOTAL REVENUE	27,912,397	7,383,184	0	0	0	0	35,295,581
EXPENSES							
Feed / COGS	13,882,235	3,612,243					17,494,478
Payroll	3,315,432	986,270					4,301,702
Drugs & Vet	531,231	145,138					676,369
Utilities	1,089,297	91,044					1,180,341
Breeding Stock	1,690,568	105,712					1,796,280
Depreciation & Amortization	1,017,842	239,873					1,257,715
Interest	5,714,556	1,419,823					7,134,379
All Other	6,322,530	1,272,912					7,595,442
Inventory Adjustment	(1,718,191)	105,026					(1,613,165)
Total Expenses	31,845,500	7,978,041	0	0	0	0	39,823,541
NET INCOME (LOSS)	(3,933,103)	(594,857)	0	0	0	0	(4,527,960)

CASE NAME: Furnas County Farms CASE NUMBER: 04-81489		STATEMENT OF SOURCE AND USE OF CASH						FORM OPR-3
	PETITION DATE	MONTH ENDING	MONTH ENDING	MONTH ENDING	MONTH ENDING	MONTH ENDING	YEAR TO DATE	
	5/3/2004	5/28/2004	6/25/2004	7/30/2004	8/27/2004	9/24/2004	10/29/2004	
CASH DIFFERENCE	1,342,365							
Current Ending Cash Balance		2,583,410	0	0	0	0	3,925,775	
Less Ending Prior Month Balance		1,342,365	0	0	0	0	1,342,365	
NET CASH INCREASE(DECREASE)		1,241,045	0	0	0	0	1,241,045	
SOURCES OF CASH								
Income (Loss) From Operations		(594,857)	0	0	0	0	(594,857)	
Add: Non-cash items (Depr. & Amort.)		239,873	0	0	0	0	0	
Cash Generated From Operations		(354,984)	0	0	0	0	(354,984)	
Add: Decrease in Assets								
Accounts Receivable		298,242	0	0	0	0	298,242	
Inventory		0	0	0	0	0	0	
Prepaid Expenses		0	0	0	0	0	0	
Property, Plant & Equipment		27,945	0	0	0	0	27,945	
Other Current Assets		0	0	0	0	0	0	
Other Assets		4,064	0	0	0	0	4,064	
Increase in Liabilities:								
Post Petition Liabilities		2,278,391	0	0	0	0	2,278,391	
Pre Petition Liabilities		0	0	0	0	0	0	
TOTAL SOURCES OF CASH		2,253,658	0	0	0	0	2,253,658	
USE OF CASH								
Subtract: Increase in Assets								
Accounts Receivable		0	0	0	0	0	0	
Inventory		35,636	0	0	0	0	35,636	
Prepaid Expenses		249,383	0	0	0	0	249,383	
Property, Plant & Equipment		0	0	0	0	0	0	
Other Current Assets		0	0	0	0	0	0	
Other Assets		0	0	0	0	0	0	
Decrease in Liabilities:								
Post Petition Liabilities		0	0	0	0	0	0	
Pre Petition Liabilities		727,592	0	0	0	0	727,592	
TOTAL USE OF CASH		1,012,611	0	0	0	0	1,012,611	
NET CASH INCREASE (DECREASE)		1,241,047	0	0	0	0	1,241,047	
Rounding		(2)	0	0	0	0	(2)	

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

		SCHEDULE OF ACCOUNTS RECEIVABLE AGING					SCHEDULE A
		TOTAL ACCOUNTS RECEIVABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91-120 DAYS	OVER 120 DAYS
Date of Filing:	5/3/2004	1,341,858	1,258,419	48,419	8,870	8,819	17,331
% of Total		100%	93.78%	3.61%	0.66%	0.66%	1.29%
Month:	5/28/2004	1,043,616	979,835	14,784	33,020	8,208	7,769
% of Total		100%	93.89%	1.42%	3.16%	0.79%	0.74%
Month:	5/31/2004	0	0	0	0	0	0
% of Total		100%	0.00%	0.00%	0.00%	0.00%	0.00%
Month:	6/30/2004	0	0	0	0	0	0
% of Total		100%	0.00%	0.00%	0.00%	0.00%	0.00%
Month:	7/31/2004	0	0	0	0	0	0
% of Total		100%	0.00%	0.00%	0.00%	0.00%	0.00%
Month:	8/31/2004	0	0	0	0	0	0
% of Total		100%	0.00%	0.00%	0.00%	0.00%	0.00%
Month:	9/30/2004	0	0	0	0	0	0
% of Total		100%	0.00%	0.00%	0.00%	0.00%	0.00%

CASE NAME: Fumas County Farms
CASE NUMBER: 04-81489

SCHEDULE OF FIXED ASSETS						SCHEDULE B
	PETITION					
	DATE	MONTH	MONTH	MONTH	MONTH	MONTH
	5/3/2004	5/28/2004	6/25/2004	7/30/2004	8/27/2004	9/24/2004
FIXED ASSETS:						
Land	4,024,868	4,024,868				
Managers' Houses	2,184,337	2,184,337				
Buildings & Equipment	99,303,425	99,304,783				
Wells & Lagoons	8,623,212	8,623,212				
Other Equipment, Furn. & Fixtures	6,301,974	6,265,547				
Impaired Assets	(47,159,439)	(47,159,439)				
TOTAL FIXED ASSETS	73,278,377	73,243,308	0	0	0	0

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

SCHEDULE OF POST PETITION DEBT

SCHEDULE C

	MONTH 5/28/2004	MONTH 6/25/2004	MONTH 7/30/2004	MONTH 8/27/2004	MONTH 9/24/2004	MONTH 10/29/2004
TRADE ACCOUNTS PAYABLE	679,870					
ACCRUED LIABILITIES:						
Accrued Payroll	115,266					
Accrued Payroll Taxes	27,731					
Accrued RE/PP Taxes	80,002					
TOTAL ACCRUED LIABILITIES	222,999	0	0	0	0	0
OTHER LIABILITIES:						
Accrued Interest	1,373,061					
Other : Corn, Ethanol, Sales Tax	2,461					
TOTAL OTHER LIABILITIES	1,375,522	0	0	0	0	0
TOTAL POST PETITION DEBT	2,278,391	0	0	0	0	0

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

(revised 3-94)
Schedule D
Page 1 of 2

SUMMARY OF SIGNIFICANT ITEMS

For month ended May 28, 2004

1. Insurance Coverage

	Carrier/ agent Name	Amount of Coverage	Policy Expiration Date	Premium Paid thru Date
Workers' Compensation				
General Liability				
Excess Liability				
Fire & Extended Coverage		See Schedule D (a)		
Vehicle Liability				
Vehicle Collision				
Theft				
Other(specify)				

2. Statement of Payments of Secured Creditors

(list all payments made to secured creditors during the month & the purpose
for such payment, i.e. Court ordered adequate protection cash collateral payments)

Payee	Description	Amount Paid this Month	Total Paid Post petition
-------	-------------	---------------------------	-----------------------------

NONE

3. Tax Payments Made This Month (Not Accruals) (attach copies of tax receipts or checks)

	Date Paid	Amount Paid	Post Petition Taxes Still Unpaid(agreees to Sch. C)
Federal Payroll W/H Taxes	5/5/04	\$133,345	\$0
Federal Payroll W/H Taxes	5/19/04	\$112,632	\$0
Fed. Unemployment Taxes		\$0	\$18,646
State Payroll W/H Taxes	5/14/04	\$26,492	\$966
State Unemployment Taxes		\$0	\$8,119
State Sales & Use Taxes		\$0	
Property Taxes		\$0	
Other		\$0	
TOTALS		\$272,469	\$27,731

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

revised 10-96
Schedule D
Page 2 of 2

SUMMARY OF SIGNIFICANT ITEMS

Month ended May 28, 2004

4. Compensation Payments Made This Month (Not Accruals)

(List all payments made to owners of proprietorships; partners of partnerships; officers, directors and shareholders of corporations)

Name	Amount	Date of Court Order Authorizing Payment
------	--------	---

NONE

5. Payments Made This Month To Professionals (Not Accruals)

Professional	Amount	Date of Court Order Authorizing Payment
--------------	--------	---

NONE

6. Record of Disbursement and Payment of Quarterly Fees

Period	*Total	Quarterly	Quarterly	Date	Amount	Check
Ending	Disbursements	Totals	Fee **	Paid	Paid	Number
January	\$					
February	\$					
March	\$	\$	\$		\$	
April	\$					
May	\$6,621,883					
June	\$	\$	\$		\$	
July	\$					
August	\$					
September	\$	\$	\$		\$	
October	\$					
November	\$					
December	\$	\$	\$		\$	

* Each month list the total money spent for all purposes. At the end of the quarter, add the monthly totals. This is the amount used to compute the quarterly fee due the U.S. Trustee, from the table below.

**Effective 10-01-96 [\$-0- to \$14,999.99 = \$250.00].....[\$15,000 to \$74,999.99 = \$500.00].....[\$75,000 to \$149,999.99 = \$750.00].....[\$150,000 to \$224,999.99 = \$1,250.00].....[\$225,000 to \$299,999.99 = \$1,500.00].....[\$300,000 to \$999,999.99 = \$3,750.00].....[\$1,000,000 to \$1,999,999.99 = \$5,000.00].....[\$2,000,000 to \$2,999,999.99 = \$7,500.00].....[\$3,000,000 to \$4,999,999.99 = \$8,000.00].....[\$5,000,000 or more = \$10,000.00]

FCF Et AL
Case # 04-81489
Insurance Summary - Supplement to Schedule D
Limits of Coverage
May 28, 2004

Case 04-81489-TJM Doc 111 Filed 06/23/04 Entered 06/23/04 11:30:18 Desc Main Document Page 11 of 11

	Furnas County Farms			Arapahoe Feed Mill			Furnas County Trucking			7-11 Feed Mill			Total Coverage
	Expiration Date	Premiums Paid thru	Limits	Expiration Date	Premiums Paid thru	Limits	Expiration Date	Premiums Paid thru	Limits	Expiration Date	Premiums Paid thru	Limits	
General Liability:													
Aggregate Limit	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	4/15/05	10/15/04	(Continental Western)	1/1/05	6/30/04	(Great American)	\$6,000,000
Products & Completed Operations Aggregate			\$2,000,000			\$2,000,000							\$2,000,000
Each Occurrence			2,000,000			2,000,000							2,000,000
Personal & Advertising			1,000,000			1,000,000							1,000,000
Fire Damage			1,000,000			1,000,000							1,000,000
Medical Expense			100,000										100,000
Chemical Drift			10,000			5,000							10,000
Transportations of Chemicals			25,000										25,000
Damage to Property of Others/Rented Property			25,000										25,000
			500										100,500
Commercial Umbrella:													
Each Occurrence	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	4/15/05	10/15/04	(Continental Western)	1/1/05	6/30/04	(Great American)	40,000,000
General Aggregate			25,000,000			5,000,000			5,000,000				5,000,000
Products-Completed Operations Aggregate			25,000,000			5,000,000			5,000,000				5,000,000
Bodily Injury by Disease Limit			25,000,000			5,000,000			5,000,000				5,000,000
Inland Marine													
				4/15/05	10/15/04	(Continental Western)							220,000
Auto:													
Liability	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	4/15/05	10/15/04	(Great American)	1/1/05	6/30/04	(Great American)	3,500,000
Medical			1,000,000			500,000			1,000,000				1,000,000
Insured Motorists									5,000				5,000
Comprehensive & Collision, etc.									1,000,000				1,000,000
									Actual Cash Value				
Crime:													
Employee Theft				4/15/05	10/15/04	(Continental Western)	4/15/05	10/15/04	(Great American)	1/1/05	6/30/04	(Great American)	50,000
						25,000			25,000				
Property:													
Buildings, Equipment, Livestock	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	4/15/05	10/15/04	(Great American)	1/1/05	6/30/04	(Great American)	134,781,566
			129,753,890			2,087,300			254,850				0
Other													
Workers Comp:													
Each Accident	4/15/05	7/15/04	(Star Insurance (SD & IA) & Williamsburg Ins. (NE))	4/15/05	10/1/04	(Tri-State Ins.)	4/15/05	8/15/04	(Travelers)	1/1/05	6/30/04	(Travelers)	1,600,000
Disease - Policy Limit			500,000			100,000			500,000				500,000
Disease - Each Employee			500,000			500,000			500,000				500,000
			500,000			100,000			500,000				500,000
Pivots													
	6/28/04	6/28/04	(Ins. Corp of Hannover)										545,500
			545,500										
TOTAL													\$284,732,566